

25 January 2024

Ben Carpenter President

Australian Hotels Association - Tasmanian Hospitality Association

Sent via email: leanne@tha.asn.au

CC: Rebecca.meredith@wlf.com.au

Dear Ben Carpenter

Australian Hotels Association - Tasmanian Hospitality Association Financial Report for the year ended 30 June 2023 - FR2023/131

I acknowledge receipt of the financial report for the year ended 30 June 2023 for the Australian Hotels Association - Tasmanian Hospitality Association (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 15 December 2023.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (**RO Act**) have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that next year's financial report may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The Commission will confirm these matters have been addressed prior to filing next year's report.

1. Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timelines can be found on the Fair Work Commission website, in particular, the fact sheet 'Financial reporting process' which explains the timeline requirements, and the fact sheet 'summary of financial reporting timelines' which sets out the timelines in diagrammatical format. The Fair Work Commission website also contains a 'Compliance Calculator' to help organisations comply with the RO Act timelines.

I note that the following timescale requirements were not met:

Reports must be provided to members at least 21 days before general meeting

Under section 265(5)(a) of the RO Act, where the report is presented to a general meeting of members, the report must be provided to members at least 21 days before that meeting. The designated officer's certificate states that the financial report was provided to members on 20 November 2023 and presented to a general meeting of members on 5 December 2023.

If these dates are correct, the reporting unit only provided members with the financial report 15 days before the general meeting.

Reporting Requirements

The Commission's website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements.

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via this link.

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER FOR THE PERIOD ENDED 30 JUNE 2023

l, Ben Carpenter, being the Branch President of the Australian Hotels Association Tasmanian Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Hotels Association Tasmanian Branch for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on 20/11 / 2023; and
- that the full report was presented to a general meeting of members of the Association on 5/12 2023 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Ben Carpenter Branch President

Dated 5 | 12 | 2023



INDEPENDENT AUDITOR'S REPORT

Members of the Australian Hotels Association Tasmanian Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Hotels Association Tasmanian Branch (the reporting unit), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Hotels Association Tasmanian Branch as at 30 June 2023, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the reporting unit is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the reporting unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

Liability limited by a scheme approved under Professional Standards Legislation.



Our opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The committee of management of the reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management is responsible for assessing the reporting unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. we also:

- Identify and assess the risks of material misstatement of the financial report, whether
 due to fraud or error, design and perform audit procedures responsive to those risks,
 and obtain audit evidence that is sufficient and appropriate to provide a basis for our
 opinion. The risk of not detecting a material misstatement resulting from fraud is
 higher than for one resulting from error, as fraud may involve collusion, forgery,
 intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the reporting unit's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the reporting unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the reporting unit audit. We remain solely responsible for our audit opinion.

We communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

I declare that I am an auditor registered under the RO Act.

Wise LORD & FERGURSON

REBECCA MEREDITH

Member of Institute of Chartered Accountants Australia & New Zealand CAANZ

Registered Company Auditor: 533554

Registered Organisation Auditor no. AA2021/32

Holder of Public Practice Certificate

1/160 Collins Street HOBART TAS 7000

Date: 17/11/2023



Auditor's Independence Declaration to the Branch Executive of Australian Hotels Association Tasmanian Branch

In relation to our audit of the financial report of the Australian Hotels Association Tasmanian Branch for the financial year ended 30 June 2023, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements as set out in the Fair Work (Registered Organisations) Act 2009; and any applicable code of professional conduct.

REBECCA MEREDITH

Partner

Wise Lord & Ferguson

Fellow of Institute of Chartered Accountants Australia & New Zealand CAANZ

Registered Company Auditor: 533554

Registered Organisation Auditor no. AA2021/32

Holder of Public Practice Certificate

1/160 Collins Street HOBART TAS 7000 Date: 17/11/2023 Australian Hotels
Association Tasmanian
Branch
Financial Statements
30 June 2023



AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

OPERATING REPORT

FOR THE PERIOD ENDED 30 JUNE 2023

The Committee of Management presents its report on the Australian Hotels Association Tasmanian Branch for the financial year ended 30 June 2023.

Principal Activities

The principal activities of the Association during the financial year were:

- Provision of industrial support to members including advice on legal and legislative matters, contractual obligations and representation of state members, administration of Federal awards, the variation of awards following major test cases;
- Representation of members on industry issues, e.g. licensing law and penalty rate reviews;
- Media and communications to members and to the broader community via media releases in support of campaigns, targeted publications including national magazines;
- Provision of information for members providing up to date material relevant to hotels; and
- Organisation of events to members such as Awards for Excellence, Charity Fund Raising etc. in order to recognise their achievements and contribution to the community.

It is noted that during the financial year the activities of the Association were suitably carried out. No significant change in the nature of these activities occurred during the year.

The profit from ordinary activities amounted to \$137,366 for the year ended 30 June 2023 (2022: profit \$193,159).

Financial Affairs

No significant changes were noted to the financial affairs of the Association during the year.

Right to Resign

Resignation from membership and termination of eligibility for membership is regulated by Rule 17 of the Federal Rules.

A member may resign from membership of the Association by written notice addressed to and delivered to the Secretary of the Branch to which the member is attached.

Superannuation Trustees/Directors

There are no members of the Committee of Management that are trustees or directors of a superannuation entity or an exempt public sector superannuation scheme.

Number of Members

The Association had 702 members at the end of the reporting period (2022: 694).

Number of Employees

The Association employed 17 staff, expressed as 15.77 FTE, as at 30 June 2023 (2022: 17 employees, expressed as 14.54 FTE).

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

OPERATING REPORT

FOR THE PERIOD ENDED 30 JUNE 2023

Payments to Employers

The Association did not make any payments during the financial year to employers as consideration for the employers making payroll deductions of membership subscriptions.

Names of Committee of Management Members and Period Positions Held During the Financial Year

Names and positions of the Committee of Management for the financial year 1 July 2022 to 30 June 2023 were

Branch President

CARPENTER, Ben

Committee of Management

JUBB, Paul (Branch Vice President)

BEST, Michael (Treasurer)

KELLY, Martin (Councillor)

BERECHEE, Jocelyn (Councillor)

BROWN, Darren (Councillor) - Ceased 16 January 2023

WILLIAMS, Adam (Councillor) - Ceased 16 January 2023

DABNER, John (Accommodation Division President)

RICHARDS, Shelley (Councillor)

FRARACCIO, Angelo (RCAT Division President)

COCK, Matthew (Councillor)

WINDSOR, Carl (Councillor) - Ceased 16 January 2023

KENNEDY, Tony (Councillor) - Appointed 16 January 2023

BURBURY, Karen (Councillor) - Appointed 16 January 2023

KALIS, Alexia (Councillor) - Appointed 16 January 2023

REID, Leigh (Councillor) - Appointed 16 January 2023

VEIS, Danny (Councillor) - Appointed 16 January 2023

The councillors of the Committee of Management who held office during the financial year received no remuneration.

Ben Carpenter Branch President

Dated: 17/11/2023

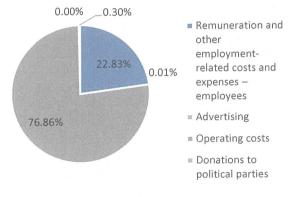
AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH SUBSECTION 255(2A) REPORT

FOR THE PERIOD ENDED 30 JUNE 2023

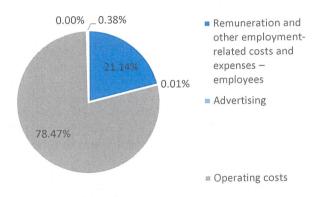
The Branch Executive presents the expenditure report as required under subsection 255(2A) of the Australian Hotels Association Tasmanian Branch for the financial year ended 30 June 2023.

2023	2022
	\$
865,262	847,985
367	545
2,913,010	3,147,320
· 1 **.*-	-
11,205	15,217
3,789,844	4,011,067
	865,262 367 2,913,010 - 11,205

2023 - Expenditure as required under s. 255(2A) RO Act



2022 - Expenditure as required under s. 255(2A) RO Act



Ben Carpenter Branch President

Dated: 17/11/2023

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH OFFICER DECLARATION STATEMENT FOR THE PERIOD ENDED 30 JUNE 2023

I, Ben Carpenter, being the Branch President of the Australian Hotels Association Tasmanian Branch, declare that the following activities did not occur during the reporting period ending 30 June 2023.

The reporting unit did not:

- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- · have another entity administer the financial affairs of the reporting unit

These are mandatory accounts but nil balance in 2023FY. I have removed the account line from the relevant note.

- Levies
- Revenue from recovery of wages activity
- Litigation
- Income recognised from volunteer services
- · Capitation fees and other revenue from another reporting unit

Ben Carpenter Branch President

Dated:17/11/2023

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH BRANCH EXECUTIVE DECLARATION FOR THE PERIOD ENDED 30 JUNE 2023

On the 17/11 / 2023 the Branch Executive of the Association passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2023:

The Branch Executive of the Association declares that in its opinion:

- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Association for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Association will be able to pay its debt as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the Association have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the Association have been kept and maintained in accordance with the RO Act; and
 - (iv) as far as is practical and reasonable, the financial records of the Association have been kept in a consistent manner to other national hotel association branches; and
 - (v) where information has been sought in any request by a member of the Association or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to the recovery of wages activity, no activity of this nature has been undertaken.

This declaration is made in accordance with a resolution of the Committee of Management.

Ben Carpenter Branch President

Dated 17/11/2023

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
REVENUE	3	4,015,439	4,236,579
EXPENSES Employee expenses	4(a)	865,262	847,985
Capitation fees and other expenses paid to another reporting unit	4(b)	23,006	22,066
Affiliation fees	4(c)	300	300
Administration expenses	4(d)	2,850,653	3,090,265
Grants or donations	4(e)	3,837	5,407
Depreciation and amortisation	4(f)	100,819	61,419
Legal costs	4(g)	11,205	15,217
Other expenses	4(h)	22,991	761
TOTAL EXPENSES		3,878,073	4,043,420
SURPLUS FOR THE YEAR		137,366	193,159
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		137,366	193,159

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Notes	2023 \$	2022 \$
ASSETS		·	•
CURRENT ASSETS			
Cash and cash equivalents	5(a)	1,312,390	1,215,032
Trade and other receivables	5(b)	979,862	340,831
Inventory	5(c)	1,734	507
TOTAL CURRENT ASSETS		2,293,986	1,556,370
NON-CURRENT ASSETS			
Plant and equipment	6(a)	13,643	15,541
Right-of-use assets	6(b)	231,852	173,601
Loan to Tasmanian Hospitality Property Association	. ,	793,092	793,092
TOTAL NON-CURRENT ASSETS		1,038,587	982,234
TOTAL ASSETS		3,332,573	2,538,604
CURRENT LIABILITIES Trade payables Other payables Employee provisions Lease liabilities Income received in advance TOTAL CURRENT LIABILITIES	7(a) 7(b) 8 6(b)	146,528 262,584 175,147 108,147 1,184,858 1,877,264	100,470 149,694 200,879 59,205 747,427 1,257,675
NON-CURRENT LIABILITIES			
Employee provisions	8	42,507	18,645
Lease liabilities	6(b)	128,527	115,375
TOTAL NON-CURRENT LIABILITIES		171,034	134,020
TOTAL LIABILITIES		2,048,298	1,391,695
NET ASSETS		1,284,275	1,146,909
EQUITY Retained profits TOTAL EQUITY	9(a)	1,284,275 1,284,275	1,146,909 1,146,909
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AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2023

	Notes	Retained Earnings \$	Total Equity \$
Closing Balance as at 30 June 2021		953,750	953,750
Surplus / (deficit) for the year		193,159	193,159
Closing Balance as at 30 June 2022	•	1,146,909	1,146,909
Surplus / (deficit) for the year		137,366	137,366
Closing Balance as at 30 June 2023		1,284,275	1,284,275

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2023

	Notes	2023	2022
		\$	\$
OPERATING ACTIVITIES			
Cash Received			
Receipts from members and customers		1,102,689	1,602,515
Grants received		2,689,803	1,682,851
Interest income		7,884	219
Receipts from other reporting unit/controlled entities		20,975	21,950
Cash Used			
Suppliers and employees		(3,594,914)	(3,916,926)
Payment to other reporting units/controlled entities	_	(23,447)	(21,241)
Net Cash From / (Used by) Operating Activities	10	202,990	(630,632)
INVESTING ACTIVITIES	-		
Net Cash From / (Used By) Investing Activities	_	-	_
FINANCING ACTIVITIES			
Cash Used		(4.05, 63.3)	(50.500)
Repayment of lease liabilities	-	(105,632)	(58,598)
Net Cash From / (Used by) Financing Activities	-	(105,632)	(58,598)
Net Increase / (Decrease) in Cash Held	-	97,358	(689,230)
Cash and cash equivalents at the beginning of the period	-	1,215,032	986,507
Cash and Cash Equivalents at the End of the Period	5(a)	1,312,390	1,215,032

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009* (RO Act). For the purpose of preparing the general-purpose financial statements, the Australian Hotels Association Tasmanian Branch is a not-for-profit entity. Disclosures made in the financial statements with zero values in both financial years are disclosed only due to the mandatory requirements of the Registered Organisations Commission.

The financial report covers the Australian Hotels Association Tasmanian Branch as an individual entity. The Australian Hotels Association Tasmanian Branch is an association in Tasmania governed by the *Fair Work (Registered Organisations) Act 2009*.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, except for certain classes of property, plant and equipment and investment properties, as explained in the accounting policies below. Historical cost is based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian dollars.

(b) Going Concern

The Association is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

(c) Comparative Amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Significant Accounting Judgements and Estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is described in Note 8 where judgements have been made in relation to the value of employee entitlements and Note 6 where judgements have been made in relation to the value of right-of-use assets.

(e) New Australian Accounting Standards

Adoption of New Australian Accounting Standards and amendments

The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards

There are no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on the Association.

(f) Revenue

The Association enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Revenue (Continued)

Revenue from Contracts with Customers

Where the Association has a contract with a customer, the Association recognises revenue when or as it transfers control of goods or services to the customer. The Association accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership Subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Association.

If there is only one distinct membership service promised in the arrangement, the Association recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Association's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Association allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling price are estimated if there is no observable evidence of the price that the Association charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Association recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Association has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Association at their standalone selling price, the Association accounts for those sales as a separate contract with a customer.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Revenue (Continued)

Capitation Fees

Where the Association's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Association recognises the capitation fees promised under that arrangement when or as it transfers the goods or services.

In circumstances where the criteria for a contract with a customer are not met, the Association will recognise capitation fees as income upon receipt (as specified in the income recognition policy below).

Levies

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Association transfers the goods or services.

In circumstances where the criteria for a contract with a customer are not met, the Association will recognise levies as income upon receipt (as specified in the income recognition policy below).

Income of the Association as a Not-for-Profit Entity

The Association receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip arounds); and
- government grants.

Gains from Sale of Assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

Interest Income

Interest revenue is recognised on an accrual basis using the effective interest method.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Revenue (Continued)

Rental Income

Leases in which the Association as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the period in which they are earned.

(g) Borrowing Costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

(h) Cash and Cash Equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Inventory

The Association holds inventories for distribution in the future for no or nominal consideration. The future economic benefit or service potential of the inventory is reflected by the amount the Association would need to pay to acquire the economic benefit or service potential if it were necessary to achieve the Association's objectives. Where the economic benefit or service potential cannot be acquired in a market, the replacement cost is estimated. Where the economic benefit or service potential cannot be acquired in a market, the replacement cost is estimated. If the purpose of the inventory changes it will be measured as per above.

(j) Financial Instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial Instruments (Continued)

Financial Assets

(i) Contract assets and receivables

A contract asset is recognised when the Association's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Association's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

(ii) Initial recognition and measurement

The Association's financial assets include trade receivable and loans to related parties.

The Association's financial assets are classified as financial assets subsequently measured at amortised cost because both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding.

The classification of financial assets is performed at an instrument level at initial recognition of the financial asset.

The Association initially measures a financial asset at its fair value plus transaction costs. However, contract assets and trade receivables that do not contain a significant financing component are measured at the transaction price as determined in accordance with the revenue policy in Note 1.9.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial Instruments (Continued)

Financial Assets (Continued)

(iii) Subsequent measurement

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

(iv) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the asset have expired. For receivables and contract assets, the Association directly reduces the gross carrying amount of a receivable or contract asset when it has no reasonable expectations of recovering the receivable or contract asset in its entirety or a portion thereof.

(v) Impairment

Debt instruments other than trade receivables

The Association recognises an allowance for ECLs for all contract assets, receivables and any other financial assets measured at amortisation cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Association expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) (j) Financial Instruments (Continued)

Financial Assets (Continued)

Trade receivables and contract assets

For trade receivables that do not have a significant financing component, the Association applies a simplified approach in calculating ECLs. Therefore, the Association does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Association has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(i) Initial recognition and measurement

The Association's financial liabilities include trade and other payables, interest-bearing loans and borrowings.

The Association's financial liabilities are classified as financial liabilities subsequently measured at amortised cost.

These financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

(ii) Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial Instruments (Continued)

Financial Liabilities

(k) Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

(l) Liabilities Relating to Contracts with Customers

Contract Liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Association transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Association performs under the contract (i.e. transfers control of the related goods or services to the customer).

Refund Liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Association's refund liabilities arise from customers' right of return. The liability is measured at the amount the Association's ultimately expects it will have to return to the customer. The Association updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

(m) Plant and Equipment

Asset Recognition Threshold

Purchases of plant and equipment are recognised at cost in the Statement of Financial Position. The initial cost of an asset does not include an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. Any such costs would be insignificant.

Recoverable Amount

Non-current assets measured using the cost basis are not carried at an amount above their recoverable amount, and where a carrying value exceeds this recoverable amount, the asset is written down.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Plant and Equipment (Continued)

Depreciation

Depreciable plant and equipment assets are written-off to their estimated residual values over their estimated useful life using the straight line and diminishing value methods of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2023	2022
Plant and equipment	1 to 13 years	1 to 13 years

Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

(n) Impairment of Non-Financial Assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than the carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Association were deprived of the asset, its recoverable amount in its fair value.

In other cases, for the purposes of determining recoverable amount, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Association.

(p) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits in the circumstances set up below.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

(q) Leases

The Association assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Association as a Lessee

The Association applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Association recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-Use Assets

The Association recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Leases (Continued)

2023 2022 Motor Vehicles 2 to 5 years 2 to 5 years

If ownership of the leased asset transfers to the Association at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Association recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Association and payments of penalties for terminating the lease, if the lease term reflects the Association exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Association uses the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(r) Taxation

The Association is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenue, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the taxation authority (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- for receivables and payables.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Taxation (Continued)

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position. Commitments and contingencies are disclosed net of the amount of GST recoverable from or payable to, the taxation authority.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified within operating cash flows.

(s) Information to be Provided to Members or Commissioner

In accordance with the requirement of the *Fair Work (Registered Organisations) Act 2009,* as amended, the attention of members is drawn to the provisions of subsection (1), (2) and (3) of section 272 which reads as follows:

- i) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- ii) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- iii) A reporting unit must comply with an application made under subsection (1).

(t) Fair Work Disclosures

Users of these financial statements should note that nil disclosures are made to comply with the reporting requirements of the *Fair Work (Registered Organisations) Act 2009*.

NOTE 2 EVENTS AFTER THE REPORTING PERIOD

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Association, the results of those operations, or the state of affairs of the Association in subsequent financial periods.

2023	2022
\$	\$

NOTE 3 REVENUE

Disaggregation of Revenue from Contracts with Customers

The table below also sets out a disaggregation of revenue by type of customer revenue:

Customer Revenue

Total Revenue from Contracts with Customers	3,999,067	4,214,681
Gaming income	259,171	-
Other functions and events	78,803	72,797
Grant income	2,252,372	2,551,562
Promotions – awards for excellence	-	123,214
Commissions	743	5,471
Member subscriptions	1,407,978	1,461,637

Disaggregation of Income for Furthering Activities

The table below also sets out a disaggregation of income by funding source:

Income Funding Sources

Interest revenue	7,884	219
Other income	8,488	21,679
Donations received		_
Total Income for Furthering Activities	16,372	21,898
Total Revenue	4,015,439	4,236,579

	2023 \$	2022 \$
NOTE 4 EXPENSES		
(a) Employee Expenses		
Holders of Office		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Executive expenses	-	
Employee Expenses - Holders of Office	-	-
Employees Other than Office Holders		
Wages and salaries	768,042	730,641
Superannuation	78,502	82,300
Leave and other entitlements	(4,422)	22,462
Separation and redundancies	-	-
Executive expenses	23,140	12,582
Employee Expenses - Employees Other than Office Holders	865,262	847,985
Total Employee Expenses	865,262	847,985

There are no other expenses relating to redundancies or other liabilities for office holders and other employees of the Association. No fees have been incurred as consideration for employers making payroll deductions for membership subscriptions.

(b) Capitation Fees		
Australian Hotels Association	23,006	22,066
Total Capitation Fees	23,006	22,066
(c) Affiliation Fees		
Australian Hotels Association	300	300
Total Affiliation Fees	300	300

	2023 \$	2022 \$
NOTE 4 EXPENSES (CONTINUED)		
(d) Administration Expenses		
Accounting and bookkeeping services	41,553	40,768
Auditing services	16,250	13,500
Awards for excellence expenses	-	142,840
Bank charges	1,514	1,648
Client entertainment expenses	58,694	38,032
Clubs Tasmania program	303,253	-
Cowards punch program expenses	47,374	479,917
Gaming Expenses	194,987	-
Great customer experience (GCE) expenses	725,931	930,152
Hospitality health project expenses	-	5,005
Interest expense	10,554	2,459
Insurance expense	18,714	18,294
IT expenses	13,372	14,418
Love your local campaign	1,100	-
Meeting expenses	10,261	9,976
Motor vehicle expenses	29,344	44,162
Other expenses	35,190	42,382
Other functions and events	59,590	74,835
Postage, printing & stationary expenses	12,874	10,462
Property expenses	65,200	49,800
Publications	-	153
Sponsorship expenses	56,110	54,063
Strategic planning expenses	779,361	1,081,916
Telephone and internet expenses	12,786	9,514
THA mental health programme	191,413	-
Total paid to employers for payroll deductions of		
membership subscriptions	-	-
Training expenses	4,234	2,796
Travel expenses	19,612	23,173
WGHA grant expenses	7,989	-
Women in leadership expenses	133,393	
Total Administration Expenses	2,850,653	3,090,265

	2023 \$	2022 \$
NOTE 4 EXPENSES (CONTINUED)	•	•
(e) Grants or Donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	237	923
Total paid that exceeded \$1,000	3,600	4,484
Total Grants or Donations	3,837	5,407
Donations are recognised net of GST.		
(f) Depreciation and Amortisation		
Plant and equipment	1,898	2,605
Leases	98,921	58,814
Total Depreciation and Amortisation	100,819	61,419
(g) Legal Costs	44.005	
Other legal costs	11,205	15,217
Total Legal Costs	11,205	15,217
(h) Other Expenses		
Bad debts expense	-	761
Penalties – via RO Act or Fair Work Act 2009	-	-
THA race day	22,991	
Total Other Expenses	22,991	761
NOTE 5 CURRENT ASSETS		
(a) Cash and Cash Equivalents		
Cash at bank	1,312,187	1,214,824
Cash on hand	203	208
Total Cash and Cash Equivalents	1,312,390	1,215,032

	2023 \$	2022 \$
NOTE 5 CURRENT ASSETS (CONTINUED)		
(b) Trade and Other Receivables		
Trade debtors	270,223	317,685
Grant funds receivable	700,280	-
Prepayments	7,512	-
Accrued Income	1,847	23,146
Other receivables	-	-
Total Current Receivables	979,862	340,831
Less allowance for expected credit losses	-	-
Total Current Receivables (Net)	979,862	340,831

Trade debtors are non-interest bearing and generally collected on 30-day terms.

The Australian Hotels Association Tasmanian Branch does not have monies receivable from other reporting units at 30 June 2023.

The Association has recognised the following assets related to contracts with customers:

Receivables	979,862	340,831
Receivables – Current	979,862	340,831
Receivables – Non-Current	-	-
Contract assets	_	_
Contract assets – Current	-	-
Contract assets – Non-Current	-	-
(c) Inventory		
Current		
Held for use	1,734	507
Total Current Inventories	1,734	507
Non-Current		
Held for use		-
Total Non-Current Inventories	-	-
Total Inventories	1,734	507

	2023 \$	2022 \$
NOTE 6 NON-CURRENT ASSETS		
(a) Plant and Equipment		
At cost	136,551	136,551
Accumulated depreciation	(122,908)	(121,010)
Total Plant and Equipment	13,643	15,541
Reconciliation of the opening and closing balances of plant and equipme	ent	
Net Book Value 1 July	15,541	18,146
Additions	-	-
Disposals	-	-
Depreciation expense	(1,898)	(2,605)
Net Book Value 30 June	13,643	15,541
Net Book Value as of 30 June Represented by:		
Gross book value	136,551	136,551
Accumulated depreciation and impairment	(122,908)	(121,010)
Net Book Value 30 June	13,643	15,541
(b) Leases		
Association as a lessee		
Set out below are the carrying amounts of right-of-use assets recogn	ised and the m	novements
during the period:		
As at 1 July	173,601	32,205
Additions	157,172	200,210
Amortisation expense	(98,921)	(58,814)
Impairment	-	-
Disposals	(26,601)	-
Depreciation adjustment on disposal	26,601	
As at 30 June	231,852	173,601

2023	2022
\$	\$

NOTE 6 NON-CURRENT ASSETS (CONTINUED)

Expense relating to leases of low-value assets (included in

administrative expenses)

Total Amount Recognised in Profit or Loss

(b) Leases

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

As at 1 July	174,580	32,968
Additions	157,172	200,210
Accretion of interest	10,554	2,459
Payments	(105,632)	(61,057)
As at 30 June	236,674	174,580
		_
Current	108,147	59,205
Non-current	128,527	115,375
Total Lease Liabilities	236,674	174,580
The maturity analysis of lease liabilities is disclosed in Note 14.		
The following are the amounts recognised in profit or loss:		
Amortisation expense of right-of-use assets	98,921	58,814
Interest expense on lease liabilities	10,554	2,459
Expense relating to short-term leases	-	-

109,475

61,273

	2023 \$	2022 \$
NOTE 7 CURRENT LIABILITIES		
(a) Trade Payables		
Trade creditors	146,528	100,470
Total Trade Payables	146,528	100,470

Trade payables are non-interest bearing and are usually settled within 30 days. The Association has a credit card facility with a credit card limit of \$28,000 (2028: \$28,000).

The Australian Hotels Association Tasmanian Branch does not have monies payable to other reporting units at 30 June 2023.

The Association has recognised the following liabilities related to contracts with customers:

Other contract liabilities	146,528	100,470
Contract liabilities – current	146,528	100,470
Contract liabilities – non-current	_	_

Unsatisfied performance obligations

The Association expects that the remaining performance obligations will be met in the next financial year. These performance obligations primarily relate to member subscription contracts and grant program contracts.

(b) Other Payables		
GST payable	138,358	38,950
PAYG withholding tax	34,206	30,590
Sundry creditors	12,743	16,531
Superannuation payable	17,575	27,721
Accrued expenses	59,702	35,902
Payable to employers for making payroll deductions of		
membership subscriptions	-	-
FBT instalment	-	-
Consideration to employers for payroll deduction	-	-
Legal costs		-
Total Other Payables	262,584	149,694

5
-
-
0,851
8,673
9,524
9,524
0,879
8,645
9,524

There are no other provisions relating to redundancies or other liabilities for office holders and other employees of the Association.

NOTE 9 EQUITY

(a) Retained Profits		
Balance at the beginning of the year	1,146,909	953,750
Surplus / (deficit) for the year	137,366	193,159
Balance at End of Year	1,284,275	1,146,909
(b) Other Specific Disclosures - Funds Compulsory levy / voluntary contribution fund – if invested in assets Other fund(s) required by rules Balance at End of Year	- - -	- - -
Total Reserves	1,284,275	1,146,909

There are no other funds relating to compulsory levies or voluntary contributions maintained by the Association.

	2023 \$	2022 \$
NOTE 10 CASH FLOW		
Cash Flow Reconciliation		
Surplus / (Deficit) for the Year	137,366	193,159
Adjustments for Non-Cash Items		
Depreciation and amortisation	100,819	58,960
Lease interest expense	10,554	2,459
Changes in Assets and Liabilities		
(Increase) / decrease in trade and other receivables	(639,031)	(57,960)
(Increase) / decrease in inventory	(1,227)	832
(Decrease) / increase in trade payables	507,289	(824,956)
(Decrease) / increase in other payables	89,090	(25,669)
(Decrease) / increase in employee provisions	(1,870)	22,543
Net Cash From / (Used by) Operating Activities	202,990	(630,632)
(a) Cash Flow Information		
Cash Inflows		
Operating activities	3,821,351	3,307,535
Total Cash Inflows	3,821,351	3,307,535
Cash Outflows		
Operating activities	3,618,361	3,938,167
Financing activities	105,632	58,598
Total Cash Outflows	3,723,993	3,996,765
NOTE 11 REMUNERATION OF AUDITORS		
Value of the Services Provided by WLF Accounting & Advisory		
Financial statement audit services	16,250	13,500
Total Remuneration of Auditors	16,250	13,500

No other services were provided by the auditors of the financial statements.

NOTE 12 RELATED PARTY DISCLOSURES

(a) Related Parties

The Australian Hotels Association – National is a related entity. Affiliation fees paid by the Australian Hotels Association Tasmanian Branch were on normal commercial terms. There were no loans during the year to Councillors of the Association or to the Councillor's Related Entities.

The Branch Executive of the Australian Hotels Association Tasmanian Branch during the financial year were:

CARPENTER, Ben (Branch President)

JUBB, Paul (Branch Vice President)

BEST, Michael (Treasurer)

KELLY, Martin (Councillor)

BERECHEE, Jocelyn (Councillor)

BROWN, Darren (Councillor) – Ceased 16 January 2023

WILLIAMS, Adam (Councillor) - Ceased 16 January 2023

DABNER, John (Accommodation Division President)

RICHARDS, Shelley (Councillor)

FRARACCIO, Angelo (RCAT Division President)

COCK, Matthew (Councillor)

WINDSOR, Carl (Councillor) - Ceased 16 January 2023

KENNEDY, Tony (Councillor) - Appointed 16 January 2023

BURBURY, Karen (Councillor) - Appointed 16 January 2023

KALIS, Alexia (Councillor) - Appointed 16 January 2023

REID, Leigh (Councillor) - Appointed 16 January 2023

VEIS, Danny (Councillor) - Appointed 16 January 2023

The councillors of the Committee of Management who held office during the financial year received no remuneration.

2023	2022
\$	\$

NOTE 12 RELATED PARTY DISCLOSURES (CONTINUED)

The following related party transactions occurred during the reporting period. All transactions were at normal commercial terms:

Carlyle Hotel	6,102	-
Beach Hotel Burnie	6,964	2,742
Black Buffalo Hotel	683	-
Brighton Hotel	5,417	1,719
Brunswick Hotel	1,105	-
Cock 'n' Bull Hotel	4,290	709
Customs House Hotel	1,379	-
Da' Angelos Ristorante	609	938
Cataract on Paterson	736	-
Goodstone Group - Formby Hotel	5,914	200
Goodstone Group -River Arms Hotel	5,440	-
Norton Hospitality Group	-	1,418
RACV/RACT Hobart Apartment Hotel	3,140	3,205
Salamanca Inn	-	2,914
Shearwater Resort	6,143	-
Shoreline Hotel	-	1,963
Tall Timbers Tasmania	6,206	2,141
Vantage Group	31,997	-
Whisk and Co	415	8,757

The following cash flows occurred between the Australian Hotels Association – Tasmanian Branch and other related reporting units for the period.

Net Cash Flows (to) / From Other Reporting Units

Australian Hotels Association	20,975	20,000
Australian Hotels Association - ACT	(23,447)	(21,241)
Australian Hotels Association – NSW	-	-
Australian Hotels Association – NT	-	-
Australian Hotels Association – SA	-	-
Australian Hotels Association – VIC	-	1,950
Australian Hotels Association - WA	2,700	-
Queensland Hotels Association	-	_

The Association did not make a payment to a former related party of the Association.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

2023 \$	2022 \$
275,000	262,942
21,154	21,154
296,154	284,096
28,875	26,394
28,875	26,394
4,584	4,584
4,584	4,584
329.613	315,074
	\$ 275,000 21,154 296,154 28,875 28,875 4,584

NOTE 14 FINANCIAL INSTRUMENTS

The Association's principle financial assets comprise cash, trade debtors and loans whilst its principle financial liabilities comprise trade payables.

The Association has exposure to the following risks from its use of financial instruments:

(a) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Association is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits held with banks.

For trade receivables and contract assets, customer credit risk is managed in accordance with the Association's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The Association does not hold collateral as security. The Association evaluates the concentration of risk with respect to trade receivables and contract assets as low.

Credit risk from balances with banks and financial institutions is managed in accordance with the Association policy.

The Association's maximum exposure to credit risk for the components of the statement of financial position at 30 June 2023 and 2022 is the carrying amounts as illustrated above.

(b) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association's exposure to the risk of changes in market interest rates relates primarily to its interest bearing assets.

The majority of the Association's financial assets are held in interest bearing assets that are expected to mature within three months or in financial assets that reset to the prevalent market interest rate on a monthly or quarterly basis. As a result, the Association is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

An increase / (decrease) in interest rates of 1% will have a corresponding effect on revenue of \$10,757 (2022: \$10,405).

(c) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The following tables sets out the liquidity risk of financial liabilities held by the Association. They represent the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the statement of financial position that are based on discounted cash flows.

Contractual maturities for financial liabilities and lease liabilities are as follows:

NOTE 14 FINANCIAL INSTRUMENTS (CONTINUED)

2023

2023	0-6	6-12	1-5	>5	Total
	months	months	years	years	
Financial assets:					
Cash and cash equivalents	1,312,390	-	-	-	1,312,390
Trade and other receivables	270,223	-	-	-	270,223
Grant funds receivable from THPA	700,280	-	-	_	700,280
Loan to Tasmanian Hospitality					
Property Association	_	-	-	793,092	793,092
Total financial assets	2,282,893	-	_	793,092	3,075,985
Cinemaint link littles					
Financial liabilities: Trade creditors	4.46.520				1 4 6 5 2 0
Lease liabilities	146,528	- 	120 527	-	146,528
Total financial liabilities	54,074	54,073	128,527		236,674
Total illiancial liabilities	200,602	54,073	128,527	-	383,202
2022	0.6	6.42	4.5	. =	.
2022	0-6	6-12	1-5	>5	Total
	0-6 months	6-12 months	1-5 years	>5 years	Total
Financial assets:	months				
Financial assets: Cash and cash equivalents	months 1,215,032				1,215,032
Financial assets: Cash and cash equivalents Trade and other receivables	months				
Financial assets: Cash and cash equivalents Trade and other receivables Grant funds receivable from	months 1,215,032				1,215,032
Financial assets: Cash and cash equivalents Trade and other receivables	months 1,215,032				1,215,032
Financial assets: Cash and cash equivalents Trade and other receivables Grant funds receivable from THPA	months 1,215,032				1,215,032
Financial assets: Cash and cash equivalents Trade and other receivables Grant funds receivable from THPA Loan to Tasmanian Hospitality	months 1,215,032			years - -	1,215,032 340,831
Financial assets: Cash and cash equivalents Trade and other receivables Grant funds receivable from THPA Loan to Tasmanian Hospitality Property Association	months 1,215,032 340,831 -			years - - - 793,092	1,215,032 340,831 - 793,092
Financial assets: Cash and cash equivalents Trade and other receivables Grant funds receivable from THPA Loan to Tasmanian Hospitality Property Association	months 1,215,032 340,831 -			years - - - 793,092	1,215,032 340,831 - 793,092
Financial assets: Cash and cash equivalents Trade and other receivables Grant funds receivable from THPA Loan to Tasmanian Hospitality Property Association Total financial assets	months 1,215,032 340,831 -			years - - - 793,092	1,215,032 340,831 - 793,092
Financial assets: Cash and cash equivalents Trade and other receivables Grant funds receivable from THPA Loan to Tasmanian Hospitality Property Association Total financial assets Financial liabilities:	months 1,215,032 340,831 1,555,863			years - - - 793,092	1,215,032 340,831 - 793,092 2,348,955

NOTE 15 ASSOCIATION DETAILS

The principal place of business of the Association is:

25/93 Salamanca Place HOBART TAS 7000

NOTE 16 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1) to (3) of section 272 which read as follows:

- (1) A member of a reporting unit, the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

NOTE 17 SEGMENT REPORTING

The Australian Hotels Association Tasmanian Branch operates in one geographical segment being Tasmania.

NOTE 18 RELIANCE AND PROVISION OF FINANCIAL SUPPORT

The Australian Hotels Association Tasmanian Branch does not place any reliance on the agreed financial support of another reporting unit of the organisation to operate as a going concern. No financial support was received from another reporting unit during the financial period.

The Australian Hotels Association Tasmanian Branch has not entered into any agreement to provide financial support to another reporting unit of the organisation to assist it to operate as a going concern.

NOTE 19 RECOVERY OF WAGES

There was no recovery of wages activity for the 2023 or 2022 financial years.